CONFIDENTIAL

MEMORANDUM FOR: Deputy Director (Support)

15 April 1955

	SUBJECT	: Use of Foreign Ships to Transport Effects of Agency Personnel
25X1A6a	REFERENCE	: Attached Draft Cable to Senior Representative,
	1. Pare	eagraph 1 of the reference cable states:
25X1C4a	auto ceri flag	thority granted to return via foreign flag privately owned comobiles of Agency employees under provided tification submitted to CSU Finance Office that no U. S. g ship available with reasonable time (such as 30 days) ore or after EDT owner."
	2. Sect	tion 901 of the Merchant Marine Act of 1936 provides:
	on o pose port laws unle ship Gene for in t	official business overseas or to or from any of the sessions of the United States shall travel and transthis personal effects on ships registered under the s of the United States where such ships are available ess the necessity of his mission requires the use of a p under a foreign flag; Provided that the Comptroller eral of the United States shall not credit any allowance travel or shipping expenses incurred on a foreign ship the absence of satisfactory proof of the necessity refor."
	TOTETRU DELAT	Department of State, in interpreting this Section, has issued ice Circular No. 81, dated 7 May 1954, which states with reshipment of personal effects:
	oper offi euth	en direct American ships and direct foreign ships rate between the port nearest to the place where the icial travel originates and the port nearest to the norized destination, shipment of effects shall be on an American ship, regardless of waiting time."
	Under this in authorized by	the Department of State. the reference cable would not be Document No. 40
25X1A		No Change in Class. No Change in Class. Policy in Class. Changed to: Ts s Next Review Date: 158 Auth.: HB 1503 200057-0 By: 0/6

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"Foreign Service Travel Regulations should be consulted for clarification of all problems involving personal travel." Foreign Service Circular No. 81 is not a Department of State "regulation," but is a statement of that Department's policy which internally has the same effect. A representative of this office consulted a State Department representative who was instrumental in originating Foreign Cervice Circular No. 81 and was advised that the cited provision of that Section was State Department's policy interpretation of the statute and the legislative intent. The State Department also stated that the Circular had the tacit clearance of their General Accounting Office site auditor although no formal request for an opinion on the subject had been submitted to the Comptroller General.

- 5. Since no formal ruling on this subject has been made by the Comptroller General, it is at this time a matter of policy determination whether this Agency should follow the State Department's informal interpretation or whether the reference cable, as written, should be released. However, if existing Agency regulations are to be followed, the proposed cable would be in conflict. The Agency, of course, could modify its policy, and your approval of this cable would have this effect.
- 6. In the absence of operational considerations, it would seem highly desirable as a matter of consistency with State Department policies that the Agency adhere to a policy of having the referenced Foreign Service Circular 81 be considered binding on Agency personnel.

25X1A

LAWRENCE R. HOUSTON General Counsel

Att.

L. K. WHITE
Deputy Director (Support)